

Company Registration No. 05098947 (England and Wales)

CAESAR MANAGEMENT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR

CAESAR MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	Derby Hotels Collection S L Mr Jorge Clos Llombart
Secretary	Derby Hotels Collection SL
Company number	05098947
Registered office	The Caesar Hotel 4* 26-33 Queens Gardens London W2 3BE
Auditors	Harwood Hutton Limited 22 Wycombe End Beaconsfield Buckinghamshire HP9 1NB

CAESAR MANAGEMENT LIMITED

CONTENTS

	Page
Independent auditor's report	1 - 3
Statement of income and retained earnings	4
Balance sheet	5
Notes to the financial statements	6 - 11

CAESAR MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO CAESAR MANAGEMENT LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

Opinion

We have audited the financial statements of Caesar Management Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

CAESAR MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO CAESAR MANAGEMENT LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either are to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CAESAR MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO CAESAR MANAGEMENT LIMITED (CONTINUED)

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Keir Singleton (Senior Statutory Auditor)
for and on behalf of Harwood Hutton Limited

31 December 2020

Chartered Accountants
Statutory Auditor

22 Wycombe End
Beaconsfield
Buckinghamshire
HP9 1NB

CAESAR MANAGEMENT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Turnover	5,619,446	5,282,208
Cost of sales	(2,258,929)	(2,031,512)
Gross profit	3,360,517	3,250,696
Administrative expenses	(3,123,853)	(3,176,755)
Operating profit	236,664	73,941
Interest payable and similar expenses	3 (11,787)	(7,026)
Profit before taxation	224,877	66,915
Tax on profit	(44,576)	(13,910)
Profit for the financial year	180,301	53,005
Retained earnings brought forward	(221,697)	(274,702)
Retained earnings carried forward	(41,396)	(221,697)

CAESAR MANAGEMENT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	4		169,418		149,803
Current assets					
Stocks		25,796		27,558	
Debtors	5	5,047,044		5,829,598	
Cash at bank and in hand		863,634		460,779	
		<u>5,936,474</u>		<u>6,317,935</u>	
Creditors: amounts falling due within one year	6	<u>(774,422)</u>		<u>(1,334,070)</u>	
Net current assets			5,162,052		4,983,865
Total assets less current liabilities			<u>5,331,470</u>		<u>5,133,668</u>
Creditors: amounts falling due after more than one year	7		(2,352,364)		(2,352,364)
Provisions for liabilities			<u>(17,501)</u>		-
Net assets			<u>2,961,605</u>		<u>2,781,304</u>
Capital and reserves					
Called up share capital	8	3,003,001		3,003,001	
Profit and loss reserves		<u>(41,396)</u>		<u>(221,697)</u>	
Total equity		<u>2,961,605</u>		<u>2,781,304</u>	

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 28 December 2020 and are signed on its behalf by:

Mr Jorge Clos Llombart
Director

Company Registration No. 05098947

CAESAR MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Caesar Management Limited is a private company limited by shares incorporated in England and Wales. The principal place of business is 26-33 Queen's Gardens, London W2 3BE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Despite the post-balance sheet events addressed in note 10, the directors remain confident that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts provided in the normal course of business and recognised when services have been rendered. Revenue is recognised when rooms are occupied and food and beverages are sold.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10 - 30% on a straight line basis
Fixtures, fittings & equipment	10 - 50% on a straight line basis
Computer equipment	10 - 33% on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.6 Stocks

Stock, represented by purchased supplies not yet used, is valued at the lower of cost and net realisable value.

CAESAR MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Short term debtors are measured at transaction price less any provision for impairment. Loans receivable are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method, less any provision for impairment.

Basic financial liabilities

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans and other loans, are measured initially at fair value, net of transaction costs and are subsequently carried at amortised costs using the effective interest method.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Deferred tax assets are recognised to the extent that it can be assessed with reasonable certainty that the asset will crystallise in the foreseeable future.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.10 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

CAESAR MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was as follows:

	2019 Number	2018 Number
Total	43	47

3 Interest payable and similar expenses

	2019 £	2018 £
--	-----------	-----------

Interest payable and similar expenses includes the following:

Interest payable to group undertakings	11,787	7,026
--	--------	-------

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2019	2,263,808
Additions	56,306
At 31 December 2019	2,320,114
Depreciation and impairment	
At 1 January 2019	2,114,005
Depreciation charged in the year	36,691
At 31 December 2019	2,150,696
Carrying amount	
At 31 December 2019	169,418
At 31 December 2018	149,803

CAESAR MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	140,582	90,097
Amounts owed by group undertakings	4,779,009	5,582,552
Other debtors	127,453	130,504
	<u>5,047,044</u>	<u>5,803,153</u>
Deferred tax asset	-	26,445
	<u>5,047,044</u>	<u>5,829,598</u>
	<u><u>5,047,044</u></u>	<u><u>5,829,598</u></u>
6 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	168,339	166,809
Amounts owed to group undertakings	318,218	879,269
Corporation tax	630	-
Other taxation and social security	144,257	138,402
Other creditors	142,978	149,590
	<u>774,422</u>	<u>1,334,070</u>
	<u><u>774,422</u></u>	<u><u>1,334,070</u></u>
7 Creditors: amounts falling due after more than one year	2019	2018
	£	£
Amounts owed to group undertakings	2,352,364	2,352,364
	<u>2,352,364</u>	<u>2,352,364</u>
	<u><u>2,352,364</u></u>	<u><u>2,352,364</u></u>
8 Called up share capital	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
3,003,001 Ordinary Shares of £1 each	3,003,001	3,003,001
	<u>3,003,001</u>	<u>3,003,001</u>
	<u><u>3,003,001</u></u>	<u><u>3,003,001</u></u>

CAESAR MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019 £	2018 £
Within one year	840,000	840,000
Between two and five years	3,360,000	3,360,000
In over five years	24,640,000	25,840,000
	<u>28,840,000</u>	<u>30,040,000</u>

The lease agreement between the company and its fellow subsidiary, Caesar Property S.A.R.L., contains fixed and variable elements of payment. The financial commitments disclosed above are the fixed elements only.

10 Events after the reporting date

The appearance of the Coronavirus COVID-19 pandemic in 2020 has had a very serious impact on businesses in the hospitality sector, leading to a significant reduction in the activity of hotels since the spring of 2020.

The London hotel temporarily ceased operations in mid-March 2020 in accordance with UK government guidance. Although operations resumed in August, by October England went back into lockdown and currently the ability of the hotel to operate is very severely restricted.

The fall in turnover has been accompanied by a reduction in operating costs and so the amounts payable to suppliers. UK Government measures implemented to assist UK businesses have contributed to a reduction in costs, assisted cash flow and include:

- Access to the Coronavirus Job Retention Scheme for furloughed staff;
- Suspension of business rates; and
- Deferral of VAT liabilities.

The emergence of vaccines to combat the pandemic offers a potentially significant reduction in its impact however it is not possible to assess how much longer the situation will continue and so the directors consider that it is premature to make a detailed assessment of the effect that COVID-19 will have on the financial structure of the hotel in the medium and long term.

The company is a group subsidiary of Derby Hotels Collection SL. The Group's Board of Directors and Management continually review the situation in order to combat the eventual financial and non-financial impacts of the pandemic on group companies as they occur. Whilst the Group has been taking appropriate steps and adopting the necessary measures to minimise the economic impact of the pandemic, it is not possible to quantify the overall effect that it will have on the business going forward. However, the directors consider that their implementation of specific plans for the improvement and efficient management of liquidity will enable the company to continue to meet its financial commitments as they fall due for the foreseeable future.

11 Related party transactions

The company has taken advantage of the exemptions permitted by FRS 102 section 1.AC.35 not to provide disclosures of transactions entered into with other wholly-owned members of the group.

CAESAR MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Parent company

The immediate parent company is Anfusba XXI S.L., a company incorporated in Spain.

The ultimate controlling party is Derby Hotels Collection S.L., a company incorporated in Spain. Derby Hotels Collection S.L. is the head of the largest and smallest group for which consolidated accounts are drawn up.

Derby Hotels Collection S.L. prepares group financial statements and copies can be obtained from c/Valencia num. 284, 08007 Barcelona, Spain.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.